GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:6163
ANSWERED ON:05.05.2000
MINIMUM SUPPORT PRICE OPERATION OF JUTE
AJAY CHAKRABORTY

Will the Minister of TEXTILES be pleased to state:

(a) whether under Minimum Support prices(MSP) operation, the Government reimburse entire loss incurred by the nodal agency for MSP operations;

(b) if so, the details of procurement of raw jute by JCI, total losses and reimbursement made by the Govt under MSP during each of last three years ;

(c) whether the Commission for Agriculture Cost Prices observed that MSP operations of the JCI was poor for want of funds and recommended for release of funds of losses of earlier year; and

(d) if so, the details thereof and the time by which the entire losses are likely to be reimbursed ?

Answer

MINISTER OF STATE FOR TEXTILES

(SHRI GINGEE N. RAMCHANDRAN)

(a) to (d): Statement is laid on Table of the House.

Statement referred to in reply to parts (a) to (d) of the Lok Sabha Unstarred Question No.6163 by Shri Ajoy Chakraborty regarding Minimum Support Price Operation of Jute admitted for reply on 05.5. 2000.

(a) & (b): The JCI has been set up as anodal agency to undertake MSP operations for raw jute .The losses incurred by the Corporation for undertaking such operations are reimbursed by the Government. Details of procurement, losses & amounts provided by Govt. to JCI are given below:-

Quantity in lakh bales
of 180kg each . Rupees in crore.

Year	Procurement Quantity/procured as reported by JCI (Rs.)	Losses (Rs.)	Loans
1997-98	9.85	13.98	26.00
1998-99	0.13	62.06	20.00
1999-2000	0.18	54.69	16.00

(Provisional)

(c) As the Govt. provides Bank guarantee to JCI for undertaking MSP operations every year,the question of the MSP operation ofthe JCI being poor for want of funds, does not arise.

(d) Against a claim of Rs. 353 crores up to 1998-99 as Subsidy by JCI, the Govt. has already released Rs.222.40 crores to JCI as

subsidy and Rs.125.18 crores as loan upto 31.3. 2000. A proposal is under consideration of the Ministry to adjust the loans given to JCI as subsidy towards the losses incurred by the Corporation on account of MSP operations.